

800 Lincoln Way, Ames, Iowa 50010

515-239-1310
Fax 515-239-1538

May 18, 2005

Subject: Fuel Letting June 8, 2005

Enclosed is a copy of fuel requirements for the Iowa Department of Transportation, State Board of Regents, Department of Administrative Services and some Political Subdivisions.

The fuel prices will be set on a daily basis by 10:00 A.M. The base price used is the rack average of terminal prices at Des Moines, Iowa according to figures published by AXXIS Petroleum, Inc. of St. Paul, MN.

Please note of the following:

1. The contract term is for one (1) year with renewal options on an annual basis for a two (2) additional one (1) year periods.
2. You must **Bid All Items** within any one (1) group or location.
3. Be sure to **Bid Margin** and not the cost per gallon on all items except for Soy Biodiesel Additive B100. Please read Special Provisions and Supplemental Specifications carefully that are in the enclosed packet.
4. Awards will be made **from lowest total cost per garage or Iowa DOT Location** as listed.
5. **All Bids** must be returned in the envelope provided, to the Iowa Department of Transportation, Ames, Iowa.
6. Only one (1) copy of each proposal is being furnished. If you wish to retain a copy of your completed proposal for your records, please make a copy before mailing the original as your bid.
7. The successful contractor for the Ames Motor Pool must provide assurance in writing for each delivery that the "(%) percent of sulfur by weight" does not exceed specifications.

Thank you for your bid.

<u>Proposal No.</u>	<u>Proposal Description</u>
2575	Fuel;2005-2006 Tankwagon – Iowa Department of Transportation
2576	Fuel;2005-2006 Transport – Iowa Department of Transportation
2577	Fuel;2005-2006 Tankwagon – Department of Administrative Services
2578	Fuel;2005-2006 Transport – Department of Administrative Services
2579	Fuel;2005-2006 Tankwagon – Iowa State University
2580	Fuel;2005-2006 Transport – Iowa State University
2581	Fuel;2005-2006 Tankwagon – University of Iowa
2582	Fuel;2005-2006 Transport – University of Iowa
2583	Fuel;2005-2006 Transport – University of Northern Iowa

**IOWA DEPARTMENT OF TRANSPORTATION
SPECIAL PROVISIONS AND SUPPLEMENTAL SPECIFICATIONS
for
Fuel/Soy Biodiesel Blended Fuel
June 8, 2005**

Bid proposals will be received by "Iowa Department of Transportation, Office of Procurement and Distribution, Purchasing Section, 800 Lincoln Way, Ames, Iowa 50010 for fuel on behalf of The Iowa Department of Transportation.

Bid proposals are available at the above address or by going to the DOT website at www.iowadotpurchasing.com and click on "current letting schedule" to locate and download the proposal packet for Fuel/Soy Biodiesel Blended Fuel.

Date and time of letting: June 8, 2005, 1:00 P.M. CDT

Only those bids using the appropriate forms will be acceptable. Bids must be returned in the envelopes provided for that purpose. Telefax or facsimile bids will not be accepted. No ties or reservations by the bidder are permitted except as listed on the quotation. **"No bid bonds or performance bonds are required."**

Specifications Applicable

- #1 Premium Diesel – ASTM D975 – See Attachment
- #2 Regular Diesel Fuel – ASTM D975 – See Attachment
- #1 Low Sulfur Diesel Fuel – ASTM D975 - See Attachment
- #2 Low Sulfur Diesel Fuel – ASTM D975 - See Attachment
- D – Grade Diesel Fuel – ASTM D975 – See Attachment
- Gasoline – See Attachment
- Gasohol – See Attachment
- GM-4729M – Gasohol E-85 – See Attachment
- Soy Biodiesel Additive B100 – ASTM D6751-03a
- Chapter 214A Code of Iowa

Equal Opportunity

Firms submitting quotations must be an "Equal Opportunity Employer" as defined in the "Civil Rights Act of 1964" and in "Iowa Executive Order Number Thirty-Four."

Affirmative Action - Contract Compliance

The contractor, subcontractor, vendor, or supplier is prohibited from engaging in discriminatory employment practices forbidden by federal and state law, executive orders and rules of the Iowa Department of Management, pertaining to equal employment opportunity and affirmative action. The contractor, subcontractor, vendor, or supplier may be required to have on file a copy of their affirmative action program, containing goal and time specifications.

Contractors, subcontractors, vendors, or suppliers doing business with the state in excess of \$5,000 annually and employing 50 or more full time employees may be required to submit to the Iowa Department of Management a copy of their affirmative action plan.

Targeted Small Business Program

The 1986 Iowa Legislature enacted legislation relating to procurements from Iowa Targeted Small Businesses. (Iowa Code, Chapter 73, and Iowa Administrative Code Rules 820--[01,B] Chapter 2).

To apply for certification as a Targeted Small Business contact the Iowa Department of Inspection and Appeals (515-281-7357).

It is hereby agreed that when entering into a contract with the State of Iowa, the vendor/contractor will take documented steps to encourage participation from TSB's for the purpose of subcontracting and supplying of materials.

Bid Pricing

Biodiesel Additive is priced at a fixed price/gallon over the contract period.

The method used to obtain a delivered price for fuels is based on the bulk loading terminal **Daily Rack Average** prices as quoted by the AXXIS Petroleum Inc., or an equivalent service, plus a **Bid Margin** quotation as provided by the bidder.

The supplier will furnish a bid margin in the blanks provided on the schedule of prices. Included in the bid margin are all of the bidder's transportation/overhead costs and the **profit** the bidder adds.

The bid margin is to be F.O.B. destination and shall **NOT** include Federal or State taxes. State exemption forms and Federal tax exemption number will be furnished to the successful bidders. Dyed diesel is preferred to avoid any charges of state tax. No additional charge will be paid for dyed diesel. Your bid margin should include any costs for dyed diesel.

Superfund Surcharge - The daily rack average prices includes the Federal Superfund amount per gallon. It should not be added as part of the bid margin.

Environmental Protection Charge on Petroleum Diminution - The current fee for the Iowa EPC fund will NOT be included in the bid margin. Each Agency/Department will instruct the supplier whether to add the charge to invoices based on exemption to the fee. Any above ground fuel storage tanks are exempt.

NOTE: Most tankwagon requirements listed in the Schedule of Prices for the Iowa Department of Transportation are for Above Ground Fuel Storage Tanks.

The actual amount paid to the supplier will be adjusted to reflect market fluctuations. Bid prices will be adjusted up or down based on the "**rack average**" base price of the petroleum product for the Des Moines, Iowa terminal. Terminal prices will be monitored and quoted by Axxis Petroleum Inc., of St. Paul, MN. Adjustments will be computed daily. Terminal prices will be averaged and the computed adjustment will take effect immediately. Daily rack average prices will be e-mailed to appropriate participating suppliers and agencies.

Gasohol Rack Average =
[(0.9* current price of unleaded) + (0.1 * current average price ethanol)]
Both #1 and #2 diesel prices will be adjusted independently.
Heating Oil prices will be adjusted using diesel fuel prices.

Following the effective date of the adjustment, invoices will reflect your bid margin plus or minus the change in the "Rack Average" price. **The date of order, not delivery date, shall determine the rack average adjustment to use.**

Invoicing - The contractor shall invoice the Agency with the following information clearly marked:

1. Delivery Date
2. Gallons of each type fuel delivered
3. Delivered Unit Price (Rack average plus the bid margin) per gallon
4. Total Delivered Cost (Delivered unit price times the number of gallons delivered)

Note: If the fuel is metered, a copy of the meter ticket is to be attached to the invoice.

Ordering Procedures

Individual Agencies will establish ordering procedures to satisfy their operations.

Ordering for the Iowa Department of Transportation will be as follows:

1. Area Garage or Engineer's Office will decide on quantity and will have discretion on what mix of fuels needed. The Office will enter a computerized requisition of the Field Order Release type requisition.
2. When approved, a purchase order will be generated by the computer automatically.
3. The local supervisor or Engineer's office will call the supplier and give the following information:
 - A. Location calling. (Garage name & address)
 - B. Purchase Order Number.
 - C. Quantity, Description of fuel, unit & total price.
 - D. Delivery date.

Suppliers shall not make the delivery unless ALL the above items have been provided to the supplier.

If vendor can't meet soy blending temperature requirements they will need to notify the garage Supervisor of their situation and he will advise them of the appropriate mixture of #1 & #2 Low Sulfur Diesel that he would like to them to deliver instead. We know that deliveries between November 1st and March 1st will not likely meet these temperature requirements.

Truck Transport Deliveries

All items for any one garage or delivery site must be priced. All fuel products delivered to one location by truck transport are tied.

Orders: From 7,000 to 8,000 gallons.

The vendor is required to make delivery within two working days after receiving an order. Delivery is to be made between the hours of 8:00 A.M. and 4:00 P.M., Monday through Friday excluding holidays. Loads may be made up of one or two different petroleum products. Loads may be split into two separate delivery locations. A split delivery fee of up to \$25.00 will be allowed for such deliveries.

Tankwagon Deliveries

All items for any one garage or delivery site must be priced. All fuel products delivered to one location by tankwagon are tied.

Orders: From 200 to 5,000 gallons

The vendor is required to make delivery within **one** working day after receiving an order. Delivery shall be made between the hours of 8:00 A.M. and 4:00 P.M. Monday through Friday excluding holidays. Loads may be made up of one or two different fuel products.

Blending Requirements for Soy Biodiesel

Please follow the blending requirements listed below for soy biodiesel to insure proper mixing and avoid crystallization problems:

Since biodiesel fuel is somewhat heavier than petro diesel it is required that you add the B100 on top of the petro diesel for splash blending. If you fill from a bottom fill, you can put the B100 in first and bottom fill in the Petro Diesel, because it will cause circulation of the 2 products. Soy Biodiesel has to be splash blended prior to delivery. Ideally, the blend should be agitated or recirculated in the tank. Blending B100 with petro diesel that has chilled to a temperature below 50°F can cause solids to form in the blend. If solids begin to form due to blending at lower temperatures, the fuel must be heated above 90°F to cause solids to go completely back into solution. Biodiesel fuel will only be blended with petroleum diesel at diesel temperatures at or above 50°F. Biodiesel and petro diesel blends of 20% or more biodiesel require special precautions in severely cold weather. Remember the temperature of the fuel will still need to be above 50° at the time the B100 is added or crystallization may occur. If the temperature of the #1 or #2 diesel fuel is not above 50°F when you are loading it, or if it will not stay above the 50°F until you add the B100, you will need to contact the Garage Supervisor for the delivery location for further instructions. By contacting the Garage Supervisor of your situation he will advise you of the appropriate mixture of #1 & #2 Low Sulfur Diesel that he would like you to deliver instead. Proof of temperature will be required at the time of delivery. Supervisor in charge will need to draw a sample to inspect the fuel prior to unloading.

Failure to Deliver

If the contractor fails to deliver within a reasonable time after receipt of an order, or a phone call confirmed by an order, the State shall have the right to purchase on the open market and the contractor shall be liable for any excess cost occasioned thereby. The State of Iowa shall determine what constitutes a reasonable time in each case.

Quantities

The estimated required annual gallonage by location is given. While these figures are indicative of the quantities that may be delivered to this location, the appropriate agency/institution reserves the right to increase or decrease the quantity delivered.

The successful bidder agrees to furnish the State of Iowa with fuel throughout the contract period and, if necessary, reserve fuel for the department on a priority basis.

The vendor shall furnish a metered ticket at the time of delivery showing gallons delivered. In lieu of a metered ticket, a hand written ticket with quantities taken from a meter reading and confirmed by a state employee will be acceptable.

Payment - The Iowa Department of Transportation will be required to audit bills and make proper payment to the supplier within thirty (30) days of invoicing. Prompt payment terms may be offered for early payment of invoices. The supplier will check with other state agencies for standard or alternate payment arrangements.

Cancellation

In event a state agency determines that a change to or from tank wagon or truck transport deliveries is in the best interest of the state, a thirty (30) day written notice shall be given to the vendor to cancel the contract. A new quotation will be secured based on the new type of delivery.

A vendor may be relieved of it's obligation to furnish fuel to a state agency for due cause. Due cause may be defined as a catastrophic event or the discontinuance in the petroleum business. All such requests must be documented and made in writing at the earliest possible date.

Award

An award may be made for each garage or site location. All items at that garage or site of delivery must be bid. A contract will be written by the Iowa Department of Transportation after an award has been made. The Iowa Department of Transportation reserves the right to accept all or part, or to reject the entire quotation.

**Iowa Department of Transportation
Fuel Specifications**

Diesel

No. 1 Premium (Off Road) Diesel Fuel. No. 1 premium diesel fuel shall be refined petroleum distillate meeting the following requirements.

Kinematic viscosity @ 100F (37.8C), cSt	1.4 to 3.0
Carbon residue on 10% bottoms, % wt., max.	0.15
Sulfur, % wt., max.	0.50
Cetane Number, min.	45
Sediment and water, % max.	0.01
Ash, % wt., max.	0.01
Flash point, closed cup, deg. F, min.	100
Cloud point of fuel delivered during the months of September thru March, not higher than	-25 deg. F
Distillation, Deg. F:	
90% recovery, max.	550
End point, max.	625

No. 2 Regular (Off Road) Diesel Fuel. No. 2 regular diesel fuel shall be refined petroleum distillate meeting the following requirements.

Kinematic viscosity @ 100F (37.8C), cSt	2.0 to 4.3
Carbon residue on 10% bottoms, % wt., max.	0.35
Sulfur, % wt., max.	0.50
Cetane Number, min.	40
Sediment and water, % max.	0.01
Ash, % wt., max.	0.01
Flash point, closed cup, deg. F, min.	125
Cloud point of fuel delivered during the months of September thru March, not higher than	0 deg. F
Distillation, deg. F:	
90% recovery, max.	640
End point, max.	700

Blended Diesel Fuel. Blends of No. 1 and No. 2 diesel fuel intended for winter use shall meet the following requirements:

Blended Diesel Fuel. Minimum Specifications:

Cloud Point of fuel delivered during months of September through March, not higher than	-20 deg. F
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Diesel

No. 1 Low Sulfur Diesel Fuel. No. 1 low sulfur diesel fuel shall be refined petroleum distillate meeting the following requirements. Supplier shall supply red dyed fuel if available:

Kinematic viscosity @ 100F (37.8C), cSt	1.4 to 3.0
Carbon residue on 10% bottoms, % wt., max.	0.15
Sulfur, % wt., max.	0.05
Cetane Number, min.	40
Sediment and water, % max.	0.01
Ash, % wt., max.	0.01
Flash point, closed cup, deg. F, min.	100
Cloud point of fuel delivered during the months of September thru March, not higher than	-25 deg. F
Distillation, Deg. F:	
90% recovery, max.	550
End point, max.	625

No. 2 Low Sulfur Diesel Fuel. No. 2 low sulfur diesel fuel shall be refined petroleum distillate meeting the following requirements. Supplier shall supply red dyed fuel if available.

Kinematic viscosity @ 100F (37.8C), cSt	2.0 to 4.3
Carbon residue on 10% bottoms, % wt., max.	0.35
Sulfur, % wt., max.	0.05
Cetane Number, min.	40
Sediment and water, % max.	0.01
Ash, % wt., max.	0.01
Flash point, closed cup, deg. F, min.	125
Cloud point of fuel delivered during the months of September thru March, not higher than	0 deg. F
Distillation, deg. F:	
90% recovery, max.	640
End point, max.	700

Blended Low Sulfur Diesel Fuel. Blends of No. 1 Low Sulfur and No. 2 Low Sulfur Diesel Fuel intended for winter use shall meet the following requirement.

Blended Low Sulfur Diesel Fuel. Minimum Specifications:

Cloud point of fuel delivered during months of September through March, not higher than	-20 deg. F
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Specifications for D-Grade Diesel Fuel

<u>Specifications Points</u>	<u>ASTM Test Method</u>	<u>Shipments (From Refineries)</u>		<u>Deliveries At Terminals</u>
		<u>Minimum</u>	<u>Maximum</u>	<u>May Be</u>
Gravity °A.P.I.	D-287			
Summer		33.5	39.0	
Winter		33.5	40.0	
Flash, °F	D-93			
Summer		145		5 Lower
Winter		140		5 Lower
Cloud Point, °F	D-2500			
Summer			+15	
Winter			0	
Pour Point, °F	D-97			
Summer			+10	
Winter			-10	
W. & S, Percent	D-1744		Trace	
Carbon Residue on 10% Bottoms				
(Rambottom) – Percent	D-524		-.20	
Viscosity, S.U. Seconds	D-445	33		
At 100°F				
Sulfur, Weight Percent	D-1266		.40	
Color	D-1500		2.0	½ higher
Cetane Index	D-976-80	45.0		
Distillation, °F	D-86			
IBP		340		
50% Recovered		460		
90% Recovered		540	625	
End Point			650	
Corrosion, copper strip at 122 °F.	D-130		1	
Stability				
Residue, after 16 hours oxidation, ASTM D-525-Modified and Steam Jet Evaporation @ 485 °F., Soluble and Insoluble, mg/100 ml		15		

Summer Grade Specifications apply on shipments: February 1 through August 15.

Winter Grade Specifications apply on shipments: August 16 through January 31.

Additives: D grade diesel fuel shipments shall meet the requirements of Paragraph II, IV-O and IV-D in specifications, "Additive Requirements for gasoline and Petroleum Fuel and Oil Distillate Products," of the carrier.

Method of Inspection: Inspection shall be in accordance with the MSTI, "Instructions Governing the Measurement, Sampling and Testing of Products for Acceptance and Delivery," currently in effect on Inspection date.

Gasoline

General. This specification covers two types of regular grade gasoline for use in automotive spark-ignition engines. The two types are those commercially designated as unleaded and gasohol.

Unleaded gasoline shall not contain lead antiknock compounds or phosphorous containing deposit modifiers. Gasohol shall be a blend, by volume, of 90 percent unleaded gasoline and 10 percent denatured ethyl alcohol.

Each type shall meet the requirements of Chapter 214A of the Iowa code.

Gasohol Specifications

The standard specifications are amended by the following additions. These are special provisions, and they shall prevail over those published in the Standard Specifications.

01. **Description.** This specification covers nominally anhydrous denatured fuel ethanol to be blended with unleaded base gasoline for use as a spark-ignition automotive engine fuel. This fuel shall meet the requirements of Motor Vehicle Fuels under Chapter 214A of the Code of Iowa.

02. **Properties.** The fuel ethanol shall meet the following requirements:

Ethanol purity, volume %, min.	98
Appearance	Visibly free of suspended Or precipitated contaminants

The denaturant shall be unleaded gasoline at 2% by volume. The unleaded base gasoline shall meet the following requirements:

Octane number, min.	87
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All tests shall be in accord with the latest ASTM procedures.

03. **Blended Fuel.** The blended fuel shall be by volume 10% denature ethanol fuel and unleaded gasoline. The blended fuel shall be free of materials that have adverse effects on fuel stability, automotive engines and fuel systems. These materials shall include, but not be limited to methanol, ketones, pyrroles, turpentine and tars

04. **Certification.** The successful bidder(s) must submit to the Iowa DOT, Office of Materials, a certification letter stating the blended fuel to be supplied during the contract period meets all the requirements stated in the Code of Iowa and DOT specifications.

05. **Monitor Sampling & Testing.** The contracting authority reserves the right to inspect blending plants and take samples of components and test to verify compliance. Also, random monitor samples of the blended fuel will be taken at various locations and tested to verify compliance.

Iowa Department of Transportation

PURCHASING PROPOSAL

Standard Terms and Conditions

Contents of Contract: The entire contents of this proposal shall become a part of the contract or purchase order. In case of a discrepancy between the contents of the contract documents, the following items listed by descending order shall prevail:

- Addendums
- Purchasing Proposal/Schedule of Prices
- Specifications, Plans and Drawings
- Supplemental Terms and Conditions
- Standard Terms and Conditions

For example, if there is a statement in the specifications that contradicts a statement in the Standard Terms and Conditions, the statement in the specifications shall apply.

Preparation of Proposal: All proposals must be completed in every respect and must clearly answer all questions contained in the proposal. Bids must be typed or completed in ink on the forms supplied by the department. **You must sign your bid and seal it in the envelope.** Bids must be received prior to the bid opening date and time. The bidder may personally deliver, mail, or select a carrier that ensures timely delivery.

Proposal Guaranty: If required, a proposal guaranty, in the sum listed on the proposal form, can be supplied in one of the following ways: (1) A certified check or credit union certified share draft, cashier's check, or bank draft, drawn on a solvent bank or credit union, may be certified furnished with your bid. Certified checks and certified share drafts shall be drawn and endorsed in the amount indicated. Checks or drafts shall be made payable either to the Iowa Department of Transportation (Iowa DOT) or to the bidder. If payable to the bidder, the check or draft shall be endorsed, without qualifications, to the Iowa DOT by the bidder or his authorized agent. (2) An insurance or surety company may be retained to provide a bond in fulfillment of the proposal guaranty requirement. A properly completed and signed copy of the Proposal Guaranty (Form 131071) must accompany the bid. The Iowa DOT's Proposal Guaranty form must be used, no other forms or formats will be accepted.

Bid Opening: Bid Openings are public and conducted at the Ames complex unless otherwise specified. Proposals received after the time of the bid opening will be returned unopened.

Communications: Questions concerning this proposal should be directed to the Purchasing Agent listed on the Purchasing Proposal. Inquiries can be written, phoned, or faxed. In all cases, written communication will take precedence over verbal communication.

Faxed bids will not be accepted.

Acceptance/Rejection: The State of Iowa reserves the right to accept or reject any or all bids and to waive irregularities or technicalities, provided such waiver does not substantially change the offer or provide a competitive advantage to any vendor, in the judgment of the Iowa DOT. The Iowa DOT also reserves the right to accept that bid which is deemed to be in the best interests of the state. Any unauthorized changes, additions, or conditional bids including any ties to another bid or proposal or any reservations about accepting an award or entering into a contract, may result in rejection of the bid. Bids must remain available for award for thirty (30) days from date of bid opening.

Method of Award: Award shall be made to the lowest responsible, responsive bidder unless otherwise specified. By virtue of statutory authority preference will be given to products and provisions grown and coal produced within the State of Iowa.

Award Protests: Protests of award recommendations are to be addressed to the Director of Purchasing, and shall be made in accordance with paragraph 761--20.4(6)"e", Iowa Administrative Code.

Bid Results & Disclosure: A bid tabulation will be sent to all responsive bidders with an award recommendation indicated. At the conclusion of the selection process, the contents of all proposals will be placed in the public domain and be open to inspection by interested parties, according to state law. Trade secrets or proprietary information that are recognized as such and are protected by law may be withheld if clearly identified as such in the proposal.

Contracts: Successful contractor(s) may be sent either a formal Contract or a Notification of Award as confirmation of acceptance and award. Contracts shall be for the term stated on the Proposal and may be extended for additional period(s) under the same terms and conditions upon mutual agreement. The contractor may not assign the contract to another party without written authorization from the Office of Procurement and Distribution.

Pricing and Discount: Unit prices shown on the bid/proposal shall be quoted as the price per unit (e.g., gal., case, each, etc.) as stated on the request. If there is a discrepancy between the unit bid prices, extension, or total amount of bid, the unit prices shall prevail. Unless otherwise indicated, prices shall be firm for the duration of the contract or purchase. Discounts for early payment are allowed, but not considered in award of the contract.

Taxes: Prices quoted shall not include state or federal taxes from which the state is exempt. Exemption certificates will be furnished upon request.

Payment Terms: The Iowa DOT will normally pay properly submitted vendor invoices within fifteen (15) days of receipt, providing goods and/or services have been delivered, installed or inspected (if required), and accepted. Invoices presented for payment must be only for quantities received by the Iowa DOT, must reference the purchase order number, and be submitted for processing.

Quality: All material shall be new and of first quality. Items which are used, demonstrators, refurbished, obsolete, seconds, or which have been discontinued are unacceptable without prior written approval by the Iowa DOT.

Year 2000 Compliant: The supplier warrants that each hardware, software, and firmware product delivered under this contract shall be able to accurately process data (including, but not limited to, calculating, comparing, and sequencing) from, into, and between the twentieth and twenty-first centuries, including leap year calculations, when used in accordance with the product documentation provided by the supplier.

Recycled Content: The Iowa Code encourages purchase of products and materials with recycled content, including but not limited to paper products, oils, plastic products, compost materials, aggregate, solvents, and rubber products. When bidding recycled items or alternatives, note on your bid the recycled content, if known.

Infringement: Goods shall be delivered free of the rightful claim of any third party by way of infringement. Contractor shall indemnify and save harmless the State of Iowa and the Iowa DOT against all claims for infringement of, and/or royalties claimed under, patents or copyrights on materials and equipment furnished under this bid.

Default: Failure of the contractor to adhere to specified delivery schedules or to promptly replace rejected materials shall render the contractor liable for all costs in excess of the contract price when alternate procurement is necessary. This shall not be the exclusive remedy and the Iowa DOT reserves the right to pursue other remedies available to it by law or under the terms of this contract.

Ames Deliveries: Materials delivered to the Distribution Center's Receiving Section, 800 Lincoln Way, Ames, IA shall be delivered between the hours of 7:30 a.m. and 3:30 p.m. on any day except Saturday, Sunday, or a holiday. For deliveries to locations other than the Distribution Center, the contractor may wish to contact the destination location for available times to deliver, as some Iowa DOT offices and locations work a non-standard work week.

Delivery: Deliveries shall be F.O.B. destination unless otherwise specified. All deliveries shall be accompanied by a packing slip indicated the vendor, quantities shipped, and the purchase order number(s). All delivery charges shall be included in the bid price and paid by the contractor. No collect or C.O.D. deliveries will be accepted. When entering into a contract, the contractor shall notify the freight company that all freight and delivery charges are to be prepaid by the contractor. The Iowa DOT will not be liable for any freight claims or unpaid freight bills arising from this contract.

Applicable Law: The contract shall be governed under the laws of the State of Iowa. The contractor shall at all times comply with and observe all federal and state laws, local laws, ordinances, and regulations which are in effect during the period of this contract and which in any manner affect the work or its conduct. Any legal action relating to the contract shall only be commenced in the Story County, Iowa, District Court or the United States District Court for the Southern District of Iowa.

Administrative Rules: For Additional details on the rules governing the actions of the Office of Procurement and Distribution refer to 761 IAC, Chapter 20, Iowa Administrative Code, entitled "Procurement of Equipment, Materials, Supplies and Services".

Equal Opportunity: Firms submitting bids must be an "Equal Opportunity Employer" as defined in the Civil Rights Act of 1964 and in Iowa Executive Order Number Thirty-four.

Affirmative Action: The contractor (and also subcontractor, vendor, or supplier) is prohibited from engaging in discriminatory employment practices forbidden by federal and state law, executive orders and rules of the Iowa Department of Management, pertaining to equal employment opportunity and affirmative action. Contractor may be required to have on file a copy of their affirmative action program, containing goal and time specifications. Contractors doing business with Iowa in excess of \$5,000 annually and employing 50 or more full time employees may be required to file with the Iowa Department of Management a copy of their affirmative action plan. Failure to fulfill these non-discrimination requirements may cause the contract to be canceled and the contractor declared ineligible for future state contracts or subject to other sanctions as provided by law or rule.

Targeted Small Businesses: The Iowa DOT seeks to provide opportunities for women and/or minority small business enterprises. To apply for certification as an Iowa Targeted Small Business, contact the Iowa Department of Inspection and Appeals (515-281-7357). Contractors shall take documented steps to encourage participation from Targeted Small Businesses for the purpose of subcontracting and supplying of materials.

Interest in Contract: No state or county official or employee, elective or appointive shall be directly or indirectly interested in any contract issued by the Iowa DOT, See Code of Iowa 314.2.

Records Audit: The contractor agrees that the Auditor of the State of Iowa or any authorized representative of the state, and where federal funds are involved, the Comptroller General of the U.S. Government, shall have access to and the right to examine, audit, excerpt, and transcribe any directly pertinent books, documents, papers, and records of the contractor relating to orders, invoices, or



Iowa Department of Transportation

**Fax Back Immediately
(This Page Only)**

To (515)239-1538

ATTN: Jean Gustafson

Internet Bid Proposal Download Acknowledgement

This form must be faxed to the Iowa Department of Transportation Purchasing Department so your company can receive any notifications or addendums to this proposal. Sealed Bids may not be returned by fax. Sealed bids must be returned using the envelope provided or by attaching label page provided in this package.

Failure to do so, may be cause to disqualify your bid proposal submission.

Proposal No.: 2578web

Proposal Description: Fuel: 2005-2005 Transport Department of Administrative Services

Company Name: _____

Contact: _____

Email address: _____

Address: _____

City/State/Zip _____

Phone: _____

Fax: _____

Cell Phone: _____

Federal Tax ID: _____

If you have any questions or concerns, please call (515)239-1310